

(DRAFT) Minutes

Rural Counties Task Force (RCTF)

October 7, 2005

Hyatt Regency
1 Old Golf Course Road
Monterey, CA

Item A: *Self-introductions were made.*

Item B: *Minutes of July 8, 2005* – With no corrections or objections noted, Chair Mathews accepted the July 8, 2005 minutes as distributed.

Item F: *2006 Fund Estimate*

David Brewer, CTC Chief Deputy Director, reported that the CTC adopted the 2006 Fund Estimate at their meeting last week. He distributed and reviewed several STIP/TE funding tables, and stated that the majority of new funding is from the Public Transportation Account (PTA) account (\$1.4 billion) for transit-related projects, with only \$445 million available from the Transportation Investment Fund (TIF) for highway and road projects.

He advised that although the Fund Estimate is based on revenues provided for by law, some of the funding sources are uncertain. For example, \$1 billion is assumed to come from tribal gaming bonds, but that bond measure is in litigation. Also, it is unknown when Prop. 42 repayments will be made. Due to the uncertain revenues, the CTC will again be working under an Allocation Plan.

Diane Eidam, CTC Executive Director, stated that it would be a disadvantage to assume that the decision to not transfer Prop. 42 funds has already been made for FY 06/07, and added that agencies must demonstrate the impact of losing these funds up front, rather than waiting until after the Governor's budget comes out. Chair Mathews offered to e-mail information on the Prop. 42 Coalition meeting scheduled for November 15th in Sacramento.

David encouraged agencies to program their true priorities and said it's important to show what regions need, even if it is out of balance with the STIP. He added that STIP targets will be looked at on a statewide basis, however, any need to exceed individual targets (i.e. the need to keep phases together, etc.) should be clearly explained with RTIP submittals.

David reviewed the tables showing County shares and minimum guarantee, reprogramming targets, and TE formula shares. Points discussed included the following: TE is the only reliable money in the STIP; any new capacity belongs in FY 2010/11 but transit projects may be programmed as early as desired; PPM may be programmed even if agencies have a zero target. He invited members to email him with questions at: David_Brewer@dot.ca.gov.

Chair Mathews announced that a STIP workshop will be held next Tuesday, 10:30 a.m. at SACOG.

Item C: Local Road Rehabilitation – CTC Presentation

Chair Mathews advised that the RCTF has been offered the opportunity to make a presentation at the November CTC meeting regarding local road rehabilitation needs, and she is seeking input on what to present. She noted that rural agencies have not benefited under the CTC's Allocation Plan, since local road rehabilitation is a low priority in the Plan.

CTC Commissioner Kirk Lindsey was present to listen to rural needs to see if there is something he can help with at the CTC level. Regarding the Allocation Plan, he advised that this is a difficult issue because the CTC is looking at how to best spend the limited resources for the entire state, and the challenge for rural agencies is to demonstrate that rural needs are as important as urban areas with higher volumes. The CTC is concerned with accountability, land use, and goods movement, and how local agencies are making decisions (i.e. are they willing to tax themselves for local needs, and where are they spending their Prop. 42 funds and RSTP funds?) It was pointed out that most counties pass through their RSTP for road maintenance but that's not enough to address needs.

He explained that the Commission is willing to listen to special situations, but the rurals need to make a compelling case for their needs. One suggestion for the "compelling case" is the equity issue that some regions haven't received any STIP allocations for years because they have no state highway projects, and if Caltrans supports an agency's position that there are no state projects in the region, that should influence the Commission.

Diane Eidam encouraged local agencies to involve Caltrans when preparing their RTIPs, and noted the importance of maintaining the arterials in some areas in order to keep the state system functional. Brian McDermott, Siskiyou County LTC, noted that they have no State projects in their RTIP, however, they maintain several county roads that the State uses for detours, and since the majority of their RTIP included rehab projects, they've not received any STIP allocations for three years.

A lengthy discussion ensued regarding the lack of available funding for rehabilitation, and the need for a local maintenance program, similar to the State's SHOPP. Some members felt that when the CTC made the policy change to allow rehabilitation, it provided some relief, but now that flexibility is being limited. The equity issue was discussed, and some members did not think that all the money should go to capacity increasing projects when some areas can't maintain the existing infrastructure. Others felt that funding the rural rehabilitation needs is a small percentage of statewide STIP and should not be a problem.

It was pointed out that yesterday's conference presentation on performance measures shows that counties generally fall into three groups: growing counties, middle counties, and frontier counties. It was suggested that the presentation to the CTC include the fact that there are vast differences between the rural counties and a "one size fits all" Allocation Plan does not work. Mr. Lindsey responded that it would be more helpful to stick together on the issues (such as road rehabilitation is the number one need for local counties) rather than focusing on differences. Diane Eidam agreed that rural counties should present a united front.

Chair Mathews noted that a number of counties are looking at sales tax measures and perhaps that should be included in the CTC presentation, but some members felt even that would not be enough to solve the rehab problems. Pavement Management Programs were briefly discussed, and Phil Dow distributed and reviewed some hand-outs explaining the cost benefits of addressing rehabilitation needs early in the pavement life cycle before problems become more severe and more expensive.

Concerns were expressed that rural areas don't compete well with urban areas when it comes to comparing volumes and goods movements, but there should be equity (not special treatment) in the Allocation Plan. For example, rehab projects may stimulate the economy in a rural area as much as capital projects, and regions should be able to choose what is best for the regional system.

David Brewer summarized that the discussion today emphasizes the fact that a stable funding source for rehabilitation (such as increased gas tax subventions) is needed rather than dependence on the STIP.

It was suggested that the presentation show what rurals are doing with the resources they have, and how those resources are managed. Chair Mathews asked if there were objections with her beginning the presentation with the acknowledgement that the RCTF understands that the primary priority for the STIP is the state highway system, and then proceed to address the rural issues, and there were no objections.

Commissioner Lindsey stated that he would be willing to review the presentation prior to the CTC meeting, if desired. The available time frame will be approximately ten minutes for the presentation, plus time for questions.

Members expressed their appreciation to Commissioner Lindsey, Diane Eidam and David Brewer for their assistance in scheduling this issue before the CTC.

Item I. 2006 RCTF Annual Conference

Pete Spaulding, CalACT Executive Director, thanked everyone for attending this week's conference, and reviewed the following CalACT conference schedule for the next few years:

Spring, 2006 – Napa (Marriott) (north)
Fall, 2006 – Lake Arrowhead or Burbank (south) (9/21/06 - 9/24/06)
Spring, 2007 – Yosemite (Tenaya) (central)
Fall, 2007 – (north)
Spring, 2008 (south)
Fall, 2008 – (central)

After a brief discussion, there was a *consensus* to skip next fall's conference in southern California, and wait for the spring 2007 conference. Interest was also expressed in having CalACT rotate the vehicle expos between the spring and fall conferences.

Moved by Celia McAdam, seconded by Pam Couch, and carried, to hold the next RCTF conference with CalACT in April 2007 in Yosemite/Tenaya.

Members thanked Pete for his hard work in planning this week's conference.

Item G. Rural Planning Assistance (RPA)

Sharon Scherzinger, Caltrans, reported that with the passage of SAFETEA-LU, there is the possibility of increasing the RPA funds available to local agencies in next year's budget from \$4 million to \$6 million statewide. Caltrans will be requesting the additional funds in the Governor's budget for next year to assist local agencies with additional workload requirements on RTPs, tribal governments, air quality regulations, etc. She advised that she may be requesting information from rurals to justify workloads, and suggested

that agencies begin working on potential work elements for the extra 50% funding, to include in their draft 06/07 Work Programs. It will be known by the May Review if the RPA funding increase is approved.

Members thanked Sharon for her work on behalf of rural counties, and all were encouraged to make sure current RPA funds are being expended. It was also noted that the existing distribution formula needs to be reviewed, with possibly more weighting toward smaller counties.

Item D. Performance Measures

This issue was on yesterday's conference agenda, and several members expressed positive comments on the informative presentation.

Dan Landon stated that he is pleasantly surprised with the progress on this item and is supportive of Nick Compin's and Debbie Mah's efforts, including asking rurals "to be at the table". Pam Couch expressed support but stated she had concerns with the quantitative issue, feeling that the burden will be on rural agencies to provide the data. She is continuing to press for transferable "tools" (i.e. Pavement Management Program) to get the needed data. It was noted that some agencies are currently funding PMP programs on a regional basis, and it was suggested that others might want to use the extra RPA (if approved) to fund PMP programs to articulate their needs.

The next meeting on this issue is November 9th. Chair Mathews stated that this will be placed on the next RCTF meeting for continued discussion.

Item E. PPM Proposal

Chair Mathews reported that the PPM proposal that the Task Force discussed is the one that is going forward, however, the floor base for small counties has been removed. She offered to e-mail a copy of the current proposal to interested members. George Dondero noted that there may be an opportunity to get the floor re-inserted when the bill gets introduced.

This item will be placed on the November agenda for more discussion.

Item H. TDA Survey/Transit Issues

Dan Landon advised that the TDA committee is continuing to work on the issue of how to calculate farebox for transit. Some counties were counting charter revenues which created problems, and some were unsure how to define "special services" and advertisement revenue. In addition, it is unclear who should arbitrate this when there are different interpretations.

It was stated that, in general, rurals (except frontier counties) do better than urban counties in meeting farebox, but there needs to be some criteria on how to define frontier counties. This issue will be pursued to see if there is interest in trying to get something done legislatively. The next TDA committee meeting is October 24th.

Item J. Rural Transportation Liaison Proposal

George Dondero advised that a few more counties have come on board to support this proposal, and there is a good representation (although not more than 50%) that supports moving forward. He suggested

that the Task Force proceed to develop an RFP and create a selection committee.

Chair Mathews stated that she is willing to carry the consultant contract in her Overall Work Program, and noted that the (potentially) extra RPA funds would help counties who have funding issues. It was pointed out that some counties have equity issues, rather than funding issues (i.e. not willing to subsidize counties who don't participate).

In order to proceed, it was suggested that letters of intent be requested from counties with specific amounts for them to include in their FY 06/07 OWP, noting that the costs could go up if there is not full support. Another suggestion was to just charge each County based on their formula share, and then fund the position accordingly, even if it's not half-time.

After discussion, there was a *consensus* that in order to include this in next year's Work Program, the budget needs to be tightened up, the RFP/Scope of Work needs to be developed, and **firm letters** of commitment (with funding amounts) are needed. Chair Mathews agreed to draft the letter of intent, and see what responses come back. This issue will again be placed on the next agenda.

Item K. Executive Partnership Committee on Improving Statewide Project Delivery (Red Tape Attack)

George Dondero reported that he and Charles Field have been the rural representatives on this committee which is comprised of some Executive Directors, some Caltrans District Directors and one consultant. The goal of the committee is to speed up project delivery.

He stated that although there is still a lot of work to be done, a standard format has been developed to identify problems and he is seeing progress. He will continue to attend the meetings and will provide information to the Chair to forward to Task Force members.

Item L. RCTF Topics of Significance

"Go California" - Chair Mathews advised that "Go California" workshops are occurring statewide.

Caltrans Encroachment Permits – Charles Field asked if agencies are experiencing problems in obtaining Caltrans encroachment permits and intergovernmental review permits. Members briefly commented on positive and negative experiences. Charles advised that Amador County was asked by Caltrans to work on this issue, and he will share results at the next meeting.

Next meeting – November 18th in Sacramento.

Item M. Adjournment – 12:30 p.m.

Respectfully Submitted,

Loretta Ellard
Secretary
ellardl@sbcglobal.net